

ROLE OF RAILWAYS IN THE ECONOMIC EXPLOITATION OF INDIA DURING BRITISH RULE

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ABSTRACT

In this article, the role of Indian railways in the pre-independent Indian economy is scrutinized and its use by the British for the economic exploitation of India is highlighted using scholarly evidences. The railways have always been regarded as one of the major contributions by the British in India. It has been the biggest contributor to the infrastructure development of India since 1850 and has fuelled the growth of Indian economy. It has been the most important transportation system of India since independence and is also the biggest employment provider in present times. Still, despite all the contributions of Railways, its history and reason for inception cannot be ignored. What was the need for introducing the railways? What were the railways used for during the pre-independence period? What were the immediate effects of railways on the economy? An attempt has been made in this article to answer such questions.

KEYWORDS: India, British, Railways, Train, Economy & Exploitation

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INTRODUCTION

India before the Railways

Till 1850, there was not a single railway line in India. Roadways were the most prominent means of transport. However, the roads were not omnipresent, were poorly built and were inaccessible during monsoon. Though the waterways were used for commercial transportation, their range was limited. It was limited to the coastal regions and along the northern Indian river systems. The transportation costs very high and for the most part, it was not affordable by the British to move them to the coasts for export. According to estimates by (Hurd, 1983), the freight costs would have been 80-90% higher in the absence of railways. Hurd also estimated the total savings due to railways as a means of transport were about Rs. 1.2 billion, equivalent to 9% of the total national income.

There are enough substantial data available to establish that Railways catalyzed the growth of trade in India by integrating markets and providing better connectivity. Before the railways, villages, in India had self-sufficient economy. The production and consumption both took place in the village, making them independent and sustainable. In words of Sir Charles Metcalfe,

'The village communities are little republics having nearly everything they want within themselves, and almost independent of foreign relations.'

Introduction of railways helped Indian society to shake off the inertia and move into the new economic model of trade, open market and commercialization of goods. It surely increased the national income of the country, but did it increase the standard of living of people? Were the policies and charges favorable to the Indians

who were transporting raw materials for trade and export?

Reasons for Introduction of Railways in India

Karl Marx predicted in 1853,

'The English company intends to endow India with railways with the exclusive view of extracting, at diminished expenses, the cotton and other raw materials for their manufactures.'

The demand for the British railways was initiated by the private entrepreneurs in England and was approved by the Government, with no role of the Indian public.(Seymour, 1970). The introduction of Railways marked the arrival of a new industrial age and mobilized the Indian population towards trade and commerce. Railways in India were primarily used for exporting grain and raw materials from India to feed the Industrial Revolution of England. The export of wheat grew 22 fold from 1867 to 1877(Ghosh, 1944) and even continued to grow during the great famine in 1876-78, showing lack of empathy towards the needs of the common people by the British Government.

Another reason to introduce railways was the anticipation of corruption and kickbacks during the establishing of the rail networks. Sweeney in his book stated that corruption had been prevalent in the railways since its inception, with kickbacks to colonial administrators from the financing of tracks and trains.(Sweeney, 2005) The corruption increased gradually as the British government acquired ownership of the previously guaranteed Railway companies. The performance of the railways must be divided into pre and post 1920 periods, when the railways were under guarantee railways companies and under British government respectively. While in the pre 1920 period, the freight charges were continuously declined and there was high growth in the rail networks, the situation was reversed in post 1920 period. Increase in freight charges and sluggish growth of railways are few examples of the government policy.

Objectives of British Railways

The Railways were introduced by the British with the pure intention of trade and commerce. This can be proved by the following reasons:

- Indian fares, especially passenger fares were undoubtedly high. The Indian fares, which should have been one sixth of the English fares, were one-third to two-third - far higher than what the average Indian could afford. (Robertson, 1903)
- While selecting the locations for expanding the rail network, the national interests were never considered. The industrial dominant regions received more extensive rail networks while a large part of the population remained untouched of its benefits.
- While the freight charges were reduced from 1853 to 1919, they were increased exponentially after the British Government took over the control of railway companies. The high freight charges along with the fact that there was a negligible increase in the rail network between 1920 and 1947 crippled the Indian economy.

Exploitation of India by British using Railways

Post 1920 is the period where the economic exploitation of India through railways reached its peak. In the pre 1920 period, there were few attempts made to serve the public purposes through Railways, for example the expansion of rail network, the use of trains to transport necessities during the famines, etc. The growth of railways decreased the impact

of famines in India, as observed by Robin Burgess and Dave Donaldson (Burgess & Donaldson, 2010). However, the counter view that the famines were partly due to the result of extensive exports of food grains and pressure on the both land and human resources, in which railways had an important part, cannot be completely denied. (Meena, 2016)

However, the post 1920 period witnessed even more exploitative railway policies, which were then used to extract more and more wealth from India and transport it to Britain. The following points support this point of view:

- The freight charges were increased substantially after 1919. The freight rate was increased from 0.5 paisa per ton miles in 1919 to 1.5 paisa per ton miles in 1934. (Hurd, 1983)
- The fare rates were also increased from 0.35 paisa per ton miles in 1919 to 0.83 paisa per ton miles in 1934. (Hurd, 1983)
- The transport of raw materials from the cultivators to ports took place through trains. There was no significant development in rail networks during the post 1920 period due to insufficient investment and lack of interest towards public service.
- Transport of gold to port of Bombay was done using the rail network during the Great Depression of 1931. This gold was sent to Britain to revitalize their economy. (Manikumar, 2003)
- While the First World War affected the railways badly due to its overuse to transport grains and troop to ports of Bombay and Karachi, (Headrick, 1988), the Second World War crippled the railways. The rolling stock was diverted to the Middle East and the railway workshops were converted to munitions workshops to meet the demands of ammunition. (Wainwright, 1994)
- The exports of grains like wheat and rice continued to rise despite the regular occurrence of famines e.g. during famines of 1876-79 and 1896-1902, food grains were transported to ports by trains and then exported to Britain.
- Railways were used by the British to maintain India as an exporter of raw materials and importer of finished goods. This fulfilled an important objective of the British - preventing the transformation of the Indian economy from agrarian to industrial. (Chaudhuri, 1971)

CONCLUSIONS

The British introduced and operated the railways with the intention of easing the transportation of raw materials to the ports for exports. The railways maintained high freight and fare charges and was also subjected to accusations of corruption by the British officials. The Railways were used to transport raw materials, gold and silver to ports for import, even during extreme famines in the country. The possibilities of the use of railways to manufacture droughts also cannot be ignored. While the railways provided employment to thousands of Indians and boosted the Indian economy by connecting markets and opening up economy, it did more good than harm due to its unscrupulous use by the British to fulfill their own benefits.

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